

Congressman Stepped in to Stop West Point Mess Hall Contract from Being Awarded to Out-of-State Firm

Newburgh, NY - Congressman Maurice Hinchey (D-NY) today visited Watson Services in Newburgh to announce a \$70.6 million federal contract that will allow the company and its 210 local workers to continue providing cadet mess, mess attendant and cooking services at the United States Military Academy at West Point. Earlier this year, the Army announced that the contract would go to a Maryland-based company, prompting Hinchey to step in and raise serious questions about the contract award determination and the capacity of the out-of-state firm to fulfill the contract. Watson Services CEO Fred Watson, Newburgh Mayor Nick Valentine, and a representative from Teamsters Local 445, which represents the workers, were on hand for the announcement.

"When I learned that an out-of-state company had been awarded this contract, I fought back and asked the Army to reconsider their decision," said Hinchey. "Today, I am pleased to announce that Watson Services, a locally based, minority-owned and unionized company along with its 210 local employees will continue to provide mess hall services at West Point. This is great news for Newburgh and great news for West Point, which will continue to benefit from the outstanding services provided by Watson's workforce. West Point should rely on local small businesses and local workers to meet their contract and project needs."

Watson Services had successfully bid and performed on prior West Point mess services contracts and submitted a detailed proposal for the new contract more than two years ago. Earlier this year, however, the contract was awarded to Son's Quality Food Company of Silver Spring, Maryland whose bid was heavily dependent on operational support from Sodexo - a large food services corporation. This corporate dependency was at odds with the small business set-aside rule for federal contracts.

On February 22, 2010, Hinchey wrote to General Hagenbeck, the Superintendent of West Point, expressing concerns about the contract award process and urging a reconsideration of the matter. After Hinchey's follow-up call in early March with Hagenbeck and a formal appeal submission by Watson to the U.S. Government Accountability Office, the Army withdrew the contract award to Son's Quality Food Company in order to address concerns raised by Hinchey and Watson. On June 11, the Army awarded the contract to Watson, which will continue its work at West Point over the next seven years.

Watson Services is a minority-owned company that draws more than half of its employees on the West Point contract from Newburgh - one of the most economically distressed communities in New York State. The company has demonstrated a long-term commitment to training and employing individuals from the city's poorest neighborhoods. The workforce is represented by Teamsters Local 445, which recently negotiated a three-year contract with Watson that provided a pay increase and other improvements.

Hinchey, who sits on the West Point Board of Visitors, has continually worked to ensure that contracts and projects at the United States Military Academy are awarded to area companies and benefit local workers. Most recently, Hinchey and Congressman John Hall (D-NY) sent a letter to the U.S. Army Corps of Engineers, requesting the use of Project Labor Agreements (PLAs) at West Point to help ensure a certain percentage of locally based labor is used for major construction projects.